

**MINUTES**  
**July 5, 2001**

**Seattle City Employees' Retirement System**  
**Regular Board Meeting**

**Thursday, July 5, 2001 - 9:30 a.m.**  
**Seattle Metropolitan Credit Union**  
**Conference Room – 3<sup>rd</sup> Floor**

**Present:** Dwight Dively, Jim Fletcher, Lou Walter and Frank Mathews

**Absent:** Jan Drago, Norma McKinney, John Curtin

**Also Present:** Russ Teller – ARSCE, Eddie Haw – ARSCE, Bill Farrell – ARSCE, Jim Coover – ARSCE, Walter North – ARSCE, Kirk Jones – ARSCE, Barbara Guptill – ARSCE, John Love – ARSCE/Transit, Ken Leask – ARSCE, Ken Yeager, Jack Herold, Roger Howeler, Mel Robertson and Norm Ruggles.

Upon motion by Frank Mathews, seconded by Dwight Dively, the Retirement Board appointed Jim Fletcher to serve as Chair of the meeting in the absence of Jan Drago.

**Public Comment:** Eddie Haw reminded the Board to speak up so all could hear.

**Minutes:**

Upon motion by Dwight Dively, seconded by Lou Walter, the Retirement Board approved the minutes from the June 7, 2001 Retirement Board meeting.

**Ratification of Retired Payroll, Office Payroll, other Billings and Withdrawals:**

**Information:** The following items represent normal expenses and nothing extraordinary.

|                                    |                        |
|------------------------------------|------------------------|
| Service                            | \$ 4,428,455.46        |
| Disability                         | 51,180.23              |
| Beneficiary                        | 555,335.61             |
| <b>Pension Payroll – June 2001</b> | <b>\$ 5,034,971.30</b> |

|   |              |
|---|--------------|
| <b>Office Payroll</b> - pay period ending May 22, 2001  | \$ 20,691.77 |
| <b>Office Payroll</b> - pay period ending June 5, 2001  | \$ 20,528.87 |
| <b>Office Payroll</b> - pay period ending June 19, 2001 | \$ 20,691.78 |

|   |                |
|---|----------------|
| <b>Vouchers Processed</b> - from May 30, 2001 through June 22, 2001 | \$ 135,114.67* |
|---|----------------|

\* \$ 114,661.52 Expert and Consultant Services

Upon motion by Frank Mathews, seconded by Dwight Dively, the Board ratified the Retired Payroll, Office Payroll, other Billings and Withdrawals.

## Immediate Withdrawal of Contributions

| <b><u>Member</u></b>       | <b><u>Department</u></b> | <b><u>Position</u></b>         |
|----------------------------|--------------------------|--------------------------------|
| Armstrong, Judy A.         | Library                  | Custodian                      |
| Boddie, Margaret D         | Human Services           | Human Services Supervisor      |
| Cameron, Shawneen          | Light                    | Sr. System Analyst             |
| Gonzales, Salvador Santana | Neighborhoods            | Complaint Investigator         |
| Greer, Cherie L            | TES                      | Admin. Spec. I                 |
| Heglar, Lynn A             | Human Services           | Admin. Spec. I                 |
| Hroziencik, Amy L.         | Library                  | Admin. Spec. I                 |
| Kerschke, William L        | DCLU                     | Site Inspection Developer, Sr. |
| Lopez, John                | SeaTran                  | Sr. Warehouser                 |
| McCoy, Kelvin C            | Park                     | Recreation Leader              |
| Rasku, Kevin A             | ESD                      | Carpenter                      |
| Rembert, Gaillard          | Police                   | Manager II                     |
| Salomon, Jo-Anna Q         | HSD                      | Program Intake Rep.            |
| Sheehan, Patricia M.       | Human Services           | Program Specialist             |
| Talat, Shuja               | Library                  | Library Assistant              |
| Undseth, Sam M             | Muni Court               | Admin. Spec. I                 |

## Ratification of Service Retirements:

**Information:** The following list represents the retirements that have been processed since the last Retirement Board meeting.

| <b><u>Member</u></b>   | <b><u>Retired</u></b> | <b><u>Years</u></b> | <b><u>Days</u></b> | <b><u>Department</u></b> | <b><u>Position</u></b>   | <b><u>Age</u></b> | <b><u>Option</u></b> |
|------------------------|-----------------------|---------------------|--------------------|--------------------------|--------------------------|-------------------|----------------------|
| Anthony, William F. Jr | 6/1/2001              | 27                  | 313                | City Light               | Power Station Operator   | 54                | S                    |
| Dean, Clarence         | 5/22/2000             | 9                   | 26                 | Dual Member              | Muni Court/Vested        | 62                | C20                  |
| Harding, Emmett Paul   | 6/2/2001              | 23                  | 76                 | Muni Courts              | Sr. Mgmt Systems Analyst | 57                | S                    |
| Joski, Sandra A.       | 6/6/2001              | 30                  | 2                  | SPU                      | Mgmt Systems Analyst     | 49                | A                    |
| Martin, Elizabeth      | 5/30/2000             | 13                  | 317                | Dual Member              | Vested/Sea Center        | 64                | S                    |
| Merida, Edward         | 5/3/2001              | 29                  | 304                | Metro Transit            | Transit Operator         | 56                | C10,F                |
| Nelson, Richard C      | 6/6/2001              | 28                  | 320                | City Light               | Electrician Constructor  | 56                | D                    |
| Warberg, Patricia C    | 6/6/2001              | 30                  | 267                | Parks                    | Asst. Recreation Center  | 55                | E                    |
| West, Gary             | 6/6/2001              | 33                  | 265                | SPU                      | Civil Engineering Spec   | 59                | C20,F,G-100          |

Upon motion by Dwight Dively, seconded by Lou Walter, the Retirement Board approved the service retirements listed above, pending final review.

## Ratification of Investment Transactions and Statement of Securities and Cash:

Upon motion by Dwight Dively, seconded by Lou Walter, the Retirement Board approved the Investment Summary report.

## **Investment Committee Report:**

It was announced that the Investment Committee is scheduled to meet at noon on Wednesday, July 25, 2001 in the Retirement Office.

The Investment Committee met on June 27, 2001. At the meeting, Michael Sandifer of Amerindo Investment Advisors gave a presentation to the Committee. Amerindo, an investment manager for SCERS in the alternative investment class, has experienced poor investment performance in recent months. Mr. Sandifer's presentation explained the reasons for this underperformance and Amerindo's expectations for future performance.

Norm described the domestic fixed income manager search currently being conducted by the Investment Committee and staff. We received 148 proposals responding to our RFP. The proposals are being analyzed to reduce the list to four or five outstanding firms who will be interviewed by the Committee in August.

## **Executive Director Report:**

The following summarizes the Executive Director's monthly report to the Board:

1. A 12 page publication titled "Medical Benefits for Employees Retiring from City Employment" was distributed to the Board. This document will be very useful, since nothing has been available in the past for this purpose. It will be used by the Benefits Unit in Personnel and the Retirement Office. Norm thanked Norma McKinney for her support and leadership in getting this project accomplished.
2. The City Council and Mayor have approved legislation creating two new positions in the Retirement Office. The Receptionist position has been advertised and interviews have been conducted. A selection has been made and the Receptionist will begin employment on July 18, 2001. Norm and Mel will next work on filling the Staff Analyst position. Thereafter possible reclassification of existing positions will be considered.
3. Changes in investments as indicated by the recent Asset and Liability Study are being implemented. Emerging markets and international fixed income investment agreements have been terminated. The domestic fixed income manager search is underway, and the large cap domestic equity manager and large cap international equity manager searches will commence this month. The alternative investment class will be studied in the coming weeks.

## **Old Business:**

|   |                       |
|---|-----------------------|
| <b>(1) Status of Benefit Enhancements</b> | <b>(Old Business)</b> |
|---|-----------------------|

No new information was reported for the month of June. The Board's recommended COLA and service credit buyback improvements remain the subject of labor contract negotiations.

**New Business:**

No items discussed.

**Adjournment**

Upon motion by Lou Walter, seconded by Dwight Dively, the Retirement Board voted to adjourn the meeting.

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Norma McKinney, Secretary